

OFFICIAL  
FILE COPY

97402649  
7145

DO NOT SIGN

Do not sign this  
copy and PLACE  
SIGNATURE

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the sheriff, or assistant, and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date \_\_\_\_\_

CLAYTON AREA AGENCY ON AGING, INC.  
LAFAYETTE, LOUISIANA

ANNUAL REPORT OF ALL FUNDS  
YEAR ENDED  
JUNE 30, 1998

ROLAND D. BRANDEMAN  
CERTIFIED PUBLIC ACCOUNTANT

ALEXANDRIA, LOUISIANA

CONTENTS

	PAGE
Independent Auditor's Report	1
<b>GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS-OVERVIEW):</b>	
Combined Balance Sheet - All Fund Types and Account Group	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - All Governmental Fund Types	5
Notes to Financial Statements	6
Schedule 1 - Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds	21
Schedule 2 - Statement of Expenditures - Budget and Actual	23
Schedule 3 - Schedule of Priority Services Title III, Part B - Grant for Supportive Services	26
Schedule 4 - Comparative Schedule of General Fixed Assets and Changes in General Fixed Assets	27
Schedule 5 - Statement of Findings and Questioned Costs	28
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	10
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program on Internal Control Over Compliance in Accordance with OMB Circular A-133	13
Independent Auditor's Report on Schedule of Federal Awards	14
Schedule of Federal Financial Assistance	15



**Roland D. Kraushaar**  
Certified Public Accountant

1409 Texas Avenue - Alexandria, LA 71301  
Post Office Box 12538 - Alexandria, LA 71315

December 19, 1988

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana

I have audited the accompanying general purpose financial statements of the Cajun Area Agency on Aging, Inc., for the year ended June 30, 1988, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-333, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-333 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Cajun Area Agency on Aging, Inc., as of June 30, 1988, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated December 19, 1988, on my consideration of Cajun Area Agency on Aging, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-113, "Audits of States, Local Governments, and Non-Profit Organizations", and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



Roland D. Kraushaar  
Certified Public Accountant

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

Cajon Area Agency on Aging, Inc.  
 San Jacinto, Louisiana  
 June 30, 1988 and 1987

	GOVERNMENTAL		ACCOUNT GROUPS		TOTALS	
	FUND TYPES		GENERAL	GENERAL	COMBINATION	TOTAL
	GENERAL	SPECIAL	ASSETS	LIAB.		
<b>ASSETS AND OTHER DEBITS</b>						
<b>ASSETS</b>						
CASH	\$407,338	\$ -	\$ -	\$ -	\$407,338	\$407,338
Accounts receivable	93,889	-	-	-	93,889	128,861
Prepaid expenses	3,723	-	-	-	3,723	3,277
Interfund receivables	-	\$12,740	-	-	\$12,740	\$14,854
Fund assets	-	-	\$8,182	-	\$8,182	\$8,236
<b>OTHER DEBITS</b>						
Amount to be provided for retirement of general long-term debt	-	-	-	\$-000	\$-000	\$-000
<b>Total assets and other debits</b>	<b>\$448,450</b>	<b>\$12,740</b>	<b>\$8,182</b>	<b>\$0,000</b>	<b>\$467,400</b>	<b>\$448,738</b>
<b>LIABILITIES, FUND DEBITS AND OTHER DEBITS</b>						
<b>LIABILITIES</b>						
Accounts payable	\$108,978	\$ -	\$ -	\$ -	\$108,978	\$ 98,238
Interfund payables	272,748	-	-	-	272,748	194,654
Accumulated compensated absences	-	-	-	\$-000	\$-000	\$-000
<b>Total liabilities</b>	<b>\$381,726</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0,000</b>	<b>\$381,726</b>	<b>\$292,892</b>
<b>FUND DEBITS AND OTHER DEBITS</b>						
<b>FUND DEBITS</b>						
Fund balances						
Reserved	\$ -	\$27,878	\$ -	\$ -	\$27,878	\$181,310
Unreserved	\$ 98,338	\$8,862	-	-	\$107,200	\$123,521
<b>Total fund balances</b>	<b>\$ 98,338</b>	<b>\$36,740</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$135,078</b>	<b>\$304,831</b>
<b>OTHER DEBITS</b>						
Involvement in general fund assets	-	-	\$8,182	-	\$8,182	\$8,236
Total fund equity and other credits	<b>\$ 98,338</b>	<b>\$36,740</b>	<b>\$8,182</b>	<b>\$ -</b>	<b>\$44,260</b>	<b>\$142,811</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$448,450</b>	<b>\$72,740</b>	<b>\$8,182</b>	<b>\$0,000</b>	<b>\$467,400</b>	<b>\$448,738</b>

The accompanying notes are an integral part of this statement.

**ANNUAL STATEMENT OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
ALL GOVERNMENTAL FUNDS**

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 1978 and 1977

	GENERAL	SPECIAL SERVICES	TOTALS (MEMORANDA ONLY)	
			1978	1977
<b>REVENUE</b>				
Intergovernmental	\$ -	\$1,408,137	\$1,408,137	\$1,386,381
Miscellaneous	<u>22,042</u>	<u>62,625</u>	<u>84,678</u>	<u>88,727</u>
Total revenue	\$ 22,042	\$1,470,762	\$1,492,815	\$1,475,108
<b>EXPENDITURES</b>				
Salaries	\$ -	\$ 128,889	\$ 128,889	\$ 128,889
Fringe benefits	-	32,922	32,922	32,941
Travel	82	8,483	8,485	7,048
Operating services	384	72,641	73,025	68,668
Operating supplies	-	4,757	4,757	3,375
Other costs	-	8,948	8,948	7,051
CAPITAL OUTLAY	61,683	18,328	80,011	4,820
RESERVE	-	1,372,775	1,372,775	1,316,892
SUB-SUBSIDIES	-	1,792,348	1,792,348	1,372,122
Total expenditures	\$ 62,148	\$1,379,328	\$1,441,427	\$1,732,128
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	\$20,108	\$ 98,434	\$ 58,388	\$ 729,980
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	\$ -	\$ 372,744	\$ 372,744	\$ 368,067
Operating transfers out	<u>(1,812)</u>	<u>(272,382)</u>	<u>(272,188)</u>	<u>(388,082)</u>
Total other sources (uses)	\$ (1,812)	\$ 1,004	\$ 100,556	\$ (19,915)
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	\$ 21,579	\$ 99,438	\$ 158,944	\$ 580,065
<b>FUND BALANCE</b>				
Beginning of year	111,822	174,813	286,635	198,722
End of year	<u>\$ 90,289</u>	<u>\$ 372,744</u>	<u>\$ 445,589</u>	<u>\$ 778,837</u>

The accompanying notes are an integral part of this statement.

**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND SOURCES IN FUND  
BALANCE - BUDGET (LAST YEAR) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES**

Cotton Area Agency for Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 1990

	ORIGINAL FUND			ORIGINAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>						
Intra-governmental	\$ -	\$ -	\$ -	\$ 499,517	\$ 499,517	\$ -
Miscellaneous	<u>22,880</u>	<u>22,880</u>	<u>-</u>	<u>82,839</u>	<u>82,839</u>	<u>-</u>
<b>TOTAL REVENUE</b>	<b>\$ 22,880</b>	<b>\$ 22,880</b>	<b>\$ -</b>	<b>\$ 582,356</b>	<b>\$ 582,356</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
CONTRACT						
Salaries	\$ -	\$ -	\$ -	\$ 188,809	\$ 188,809	\$ -
Fringe benefits	-	-	-	22,903	22,903	290
Travel	80	80	-	8,480	8,480	280
Operating services	288	288	-	71,991	72,041	740
Operating supplies	-	-	-	8,991	4,787	470
OTHER COSTS	41,880	-	41,880	28,973	8,998	22,884
CAPITAL OUTLAY	-	41,880	(41,880)	5,490	18,320	(12,830)
DEALS	-	-	-	2,328,473	1,272,778	1,055,695
FORFEITURES	-	-	-	2,781,888	2,782,888	-
<b>Total expenditures</b>	<b>\$ 42,168</b>	<b>\$ 42,168</b>	<b>\$ -</b>	<b>\$ 3,037,781</b>	<b>\$ 3,039,128</b>	<b>\$ 1,091</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ 18,712</b>	<b>\$ 18,712</b>	<b>\$ -</b>	<b>\$ 119,575</b>	<b>\$ 78,228</b>	<b>\$ 41,347</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	\$ -	\$ -	\$ -	\$ 378,783	\$ 379,784	\$ 1
Operating transfers out	<u>(12,421)</u>	<u>(12,421)</u>	<u>-</u>	<u>(372,221)</u>	<u>(371,492)</u>	<u>729</u>
<b>total other sources (uses)</b>	<b>\$ (12,421)</b>	<b>\$ (12,421)</b>	<b>\$ -</b>	<b>\$ 6,562</b>	<b>\$ 8,292</b>	<b>\$ 1,730</b>
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER SOURCES OVER EXPENSES, DEALS AND OTHER USES</b>	<b>\$ (3,709)</b>	<b>\$ (3,709)</b>	<b>\$ -</b>	<b>\$ 126,137</b>	<b>\$ 86,520</b>	<b>\$ 39,617</b>
<b>FUND BALANCE</b>						
Beginning of year	111,880	111,880	-	189,658	189,658	-
End of year	<u>\$ 98,171</u>	<u>\$ 98,171</u>	<u>\$ -</u>	<u>\$ 315,795</u>	<u>\$ 278,178</u>	<u>\$ 37,617</u>

The accompanying notes are an integral part of this statement.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity:

In 1974, gubernatorial Executive Order No. 54 initially established area agencies on aging. Gubernatorial Executive Order No. 80-34 of 1983 authorized the Governor's Office of Elderly Affairs to designate planning and service areas to coincide with the geographic boundaries of the 64 parishes of the state, and to designate area agencies therein. An area agency must be an organization whose single purpose is to administer programs for older persons, or a multipurpose agency with the authority and capacity to administer human services in the planning and service area. If it is a multipurpose agency, the Area Agency on Aging, Inc. must designate all its authority and responsibility for carrying out the responsibilities listed below to a single organizational unit in the agency unless the agency receives a waiver of this requirement from the Governor's Office of Elderly Affairs.

The purpose and function of the Cajun Area Agency on Aging, Inc., is to develop a comprehensive and coordinated service delivery system for the elderly and serve as the advocate and focal point for older persons by entering into agreements with the Governor's Office of Elderly Affairs and with providers of supportive and nutrition services. "Comprehensive and coordinated system" refers to a program of interrelated supportive and nutrition services designed to meet the needs of older persons in each planning and service area. This system is to be developed by the Agency over a period of time. The Cajun Area Agency on Aging, Inc. performs these functions throughout an eight parish area of South Louisiana.

#### B. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988  
(Continued)

recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

### C. Fund Accounting:

The accounts of the Agency are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and two broad fund categories (account groups).

The governmental funds and programs comprising them as presented in the financial statements are as follows:

General Fund - The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived.

## NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1999  
(Continued)

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes.

The following are the funds which comprise the Agency's Special Revenue Funds:

### Title III-C Area Agency Administration Fund

The Title III-C Area Agency Administration Fund is used to account for the administration of special programs for the aging.

### Title III-E Ombudsman Fund

The Ombudsman Fund is used to account for funds used to provide people age 60 and older residing in long-term care facilities a representative to ensure that such residents' rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility.

### Title III C-1 Fund

Title III C-1 fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 1997 to June 30, 1998, the Agency served about 125,000 congregate meals.

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988  
(Continued)

Title III C-2 Fund

Title III C-2 fund is used to account for funds which are used to provide nutritional home delivered meals to home-board older persons. During the fiscal year July 1, 1987 to June 30, 1988, the Agency served about 583,000 home delivered meals.

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as information and assistance, access services, in-home services, community services, legal assistance, and outreach for people age 60 and older.

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Agency. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Title III-D In-Home Services Fund

The Title III-D In-Home Services Fund is used to account for funds which are used to provide in-home services to frail, older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

## NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana

June 30, 1990

(continued)

### Project Care Fund

The Project Care Fund is used to account for the administration of a program that is sponsored by Gulf States Utilities. Gulf States Utilities collects contributions from service customers and remits these funds to the Agency. The Agency in turn "passes through" these funds to the individual councils on aging.

### Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Agency's financial statements.

### U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Agency. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

### Elderly Waiver Fund

The Elderly Waiver Fund is funded under an agreement with the Louisiana Department of Health and Hospitals. The Elderly Waiver Program provides for case management and home care for the elderly.

## NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988  
(continued)

### Miscellaneous Grant Fund

Funded by the Governor's Office of Elderly Affairs, this special purpose grant was made to fund additional program expenses relative to Senior Center operations.

### Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (5) nutrition (assessment/assessing, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need.

### D. Account Groups:

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account groups are not "funds".

#### General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of the Cajun Area Agency on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the appropriate Governmental Fund type when purchased.

#### General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-

## NOTES TO FINANCIAL STATEMENTS

CoJin Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1998  
(Continued)

Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations.

### **E. Basis of Accounting:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

### **F. Transfers and Interfund Loans:**

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various Due from and due to accounts. Short-term interfund loans are classified as interfund receivables or payables.

NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988  
(Continued)

d. Budget Policy:

The Agency follows these procedures in establishing the budgetary data reflected in these financial statements.

1. The Governor's Office of Elderly Affairs (GOEA) notifies the Agency each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
4. The adopted budget is forwarded to the Governor's office of Elderly Affairs for final approval.
5. All budgetary appropriations lapse at the end of each fiscal year (June 30).
6. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Agency may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
10. Expenditures cannot legally exceed appropriations on an individual fund level.

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988  
(Continued)

H. Comparative Data:

Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Agency's financial position and operations. However, presentation of comparative data by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Total columns on the combined financial statements are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

I. Fixed Assets, Including Property Leased Under Capital Leases:

Assets which cost at least \$250 and which have an estimated useful life of greater than 1 year are capitalized as fixed assets. All fixed assets are stated at historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost. No depreciation has been provided on general fixed assets.

The Agency has classified its fixed assets as follows:

	Balance
	\$230,288
Furniture and Equipment	\$41,298
Nutrition equipment	3,998
Construction-In-Progress	<u>22,887</u>
Total	\$68,183

## NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1998  
(Continued)

### **J. Compensated Absences:**

For governmental fund types, the Agency's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. The liability has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. An amount is added to this total for social security and Medicare taxes. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees. The Agency's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

### **K. Related Party Transactions:**

There were not any related party transactions during the fiscal year.

### **L. Restricted Assets**

Restricted assets represent assets which have been primarily acquired through donations whereby the donor has placed a restriction on how the donation can be used by the Agency (i.e., utility assistance funds). Restricted assets are offset by corresponding reservation of the Agency's fund balance.

### **M. Reservation and Designations of Fund Balances:**

The Agency "reserves" portions of its fund balance that are not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

Designated allocations of fund balances result when the Agency's management intends to expend certain resources in a designated manner.

**NOTES TO FINANCIAL STATEMENTS**

Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1988  
(Continued)

**B. Prepaid Expenses:**

The Agency has elected not to expense amounts paid for future services until those services are consumed to comply with the cost reimbursement terms of its grant agreements. The fund balances in the governmental fund types have been reserved for any prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditures. At year end, there were not any prepaid expenses.

**C. Management's Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

**NOTE 2. REVENUE RECOGNITION - INTERGOVERNMENTAL, PROGRAM SERVICE FEES, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES**

**Intergovernmental**

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). Intergovernmental grants do not allow the Agency to recognize revenue under the grant award until actual costs are incurred or units of service are provided.

**Program Service Fees** are recognized when the Agency provides the

service that entitles the Agency to charge the recipient for the services received.

**Public Support and Miscellaneous Revenues**

The Agency encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, C-2 and B programs. Utility assistance funds are provided from public donations via utility company programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and similar activities. The timing and amounts of the receipts of public support and miscellaneous revenues are

**NOTE TO FINANCIAL STATEMENTS**

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1998  
(Continued)

difficult to predict; therefore, they are not susceptible to accrual and are recorded as reverses in the period received.

**NOTE 3. CASH IN BANK**

At June 30, 1998, the carrying amount of the Agency's deposits was as follows:

Payroll - checking	\$ 10,000
Operating - checking	133,833
Money market savings	228,120
Cash on deposit in banks	\$371,953

At June 30, 1998, the collected deposits held at bank one totaled \$591,708. Of that amount, \$481,704 is classified as credit risk Category 3. The bank has pledged additional collateral in the name of the Agency for the amount over the FDIC limit and those securities are held at the Federal Reserve Bank. However, it is the opinion of the Governmental Accounting Standards Board (GASB) that if the agreement between the Bank and the Agency is not in writing and approved by the Bank's Board of Directors, then the government may not be in compliance with the Financial Institution's Reform, Recovery and Enforcement Act of 1988 which establishes the depositor's rights to collateral. GASB that the collateral described above should be classified as Category 3. This is the case with Cajon Area Agency. The following are descriptions of the three risk categories:

- (1) Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- (2) Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- (3) Category 3 - Uncollateralized, including securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name or those types of securities as described above.

## NOTES TO FINANCIAL STATEMENTS

Gajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1998  
(Continued)

### NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 1998, consists of the following special revenue programs:

	<u>Funding Agency</u>	<u>Amount</u>
USDA	OSBA	\$71,543
Title III-P	OSBA	14,853
Elderly Meal	OSBA	8,803
Title III C-1	Various Councils	8,881
		<u>\$97,880</u>

### NOTE 5. CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in general fixed assets.

#### Adjustments

	<u>Balance</u> <u>6/30/97</u>	<u>Additions</u>	<u>and</u> <u>Deletions</u>	<u>Balance</u> <u>6/30/98</u>
Furniture & Equipment	\$37,308	\$ 4,114	\$ 3,178	\$42,244
Nutrition Equipment	2,898	-	-	2,898
Construction-In-Progress	-	51,882	-	51,882
<b>Total General Fixed Assets</b>	<b>\$40,206</b>	<b>\$55,996</b>	<b>\$ 3,178</b>	<b>\$93,024</b>

### NOTE 6. BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for travel expenses incurred in accordance with the Agency's travel policies.

### NOTE 7. INCOME TAX STATUS

The Agency, a non-profit corporation, is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.

**NOTES TO FINANCIAL STATEMENTS**

Calum Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1968  
(Continued)

**NOTE 8. CHANGES IN LONG-TERM DEBT**

The following is a summary of transactions relating to the Agency's long-term debt during the fiscal year:

	Balance 6/30/67	Additions	Deductions	Balance 6/30/68
Accumulated unpaid vacation	\$8,490	-	\$ 464	\$8,026

**NOTE 9. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Agency at June 30, 1968. Furthermore, the Agency's management believes that any potential lawsuits would be adequately covered by insurance.

The Agency receives revenue from various Federal and State grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies.

Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the grantor and the Agency. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Agency's financial position.

**NOTE 10. FEDERALLY ASSISTED PROGRAMS**

The Agency participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act Amendments of 1964. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Agency's management believes that further examinations would not result in any significant disallowed costs.

**NOTES TO FINANCIAL STATEMENTS**

Bayou Area Agency on Aging, Inc.  
Lafayette, Louisiana  
June 30, 1998  
(Continued)

**NOTE 11. ECONOMIC DEPENDENCY**

The Agency receives the majority of its revenues from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Agency receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Agency will receive in the next fiscal year.

**NOTE 12. IDENTIFIED TRANSFERS**

Operating transfers in and out are listed by fund for 1998:

**Funds Transferred Out**

Funds Transferred In	USDA	General Fund	Total In
Title III C Admin	\$ -	\$1,071	\$ 1,071
Title III-C-1	45,160	-	45,160
Title III-C-2	100,133	-	100,133
III B Contingency	-	400	400
Total Out	\$171,293	\$1,471	\$172,764

**NOTE 13. PENSION PLAN**

The Agency provides a Simplified Employee Pension Individual Retirement Account for each of its qualified employees. During the fiscal year ended June 30, 1998, the Agency contributed 5% of wages to the plan at a cost of \$8,888. All employees are eligible to participate.

The agency is under no obligation for future contributions.

**COMBINED STATEMENT OF PROGRAM REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**SPECIAL REVENUE FUNDS**

Cajon Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 1988

	TITLE 110-B APPORTIONED SERVICES	TITLE 111-B CONTRACTS	AREA ACCOUNT ACRIM	TITLE 111 C-1	TITLE 113 C-2	REVENUE CHANGES
<b>REVENUES</b>						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$473,482	\$72,568	\$206,403	\$493,431	\$1,064,886	\$142,400
Public Support:						
Contracted Services	-	-	-	-	-	-
General Public	-	-	-	-	-	-
Total revenues	\$473,482	\$72,568	\$206,403	\$493,431	\$1,064,886	\$142,400
<b>EXPENDITURES</b>						
Current:						
Administration: Salaries	\$ -	\$18,887	\$113,489	\$ -	\$ -	\$ -
Volunte Benefits	-	3,359	\$8,325	-	-	-
Travel	-	3,360	4,882	-	-	-
Operating services	-	3,887	18,188	-	-	-
Operating supplies	-	459	4,125	-	-	-
Other costs	-	8,712	1,325	-	-	-
CAPITAL OUTLAY	-	3,151	15,882	-	-	-
TOTAL Administration and Capital Outlay Expenditures	\$ -	\$28,234	\$151,889	\$ -	\$ -	\$ -
FUND PROGRAMS	\$ -	\$ -	\$ -	\$188,283	\$1,842,432	\$ -
<b>GRANTS TO SUB-RECIPIENTS</b>						
Acadia COA	\$ 77,775	\$ 8,742	\$ -	\$ 47,388	\$ 77,487	\$ 41,286
Evangeline COA	78,889	4,824	-	38,877	88,818	28,982
Iberville COA	82,813	5,338	-	38,829	84,774	44,539
Lafayette COA	127,313	12,038	-	32,074	24,878	82,589
St. Landry COA	82,877	7,189	-	43,811	35,782	18,485
St. Martin COA	61,348	3,888	-	27,388	24,863	28,738
St. Mary COA	87,883	3,887	-	33,891	18,344	28,188
Terrebonne COA	208,887	4,824	-	33,873	18,948	48,379
TOTAL	828,882	-	-	-	-	-
Total Payments To Sub-Recipients	\$828,882	\$48,162	\$ -	\$207,888	\$ 313,322	\$182,401
<b>TOTAL EXPENDITURES</b>	\$828,882	\$72,568	\$206,404	\$493,431	\$1,855,808	\$182,401

SCHEDULE 1

TITLE 101-B IN-HOME SERVICES	FISCAL YEAR	APRIL	MAY	JUNE	JULY	AUGUST	TITLE 101-F	TOTAL
\$18,047	\$ -	\$17,964	\$ 428,434	\$ -	\$26,000	\$18,047		\$3,489,317
-	-	12,474	-	26,597	-	-		47,071
-	18,882	-	-	-	-	-		18,882
<u>\$18,047</u>	<u>\$18,882</u>	<u>\$18,442</u>	<u>\$ 428,434</u>	<u>\$26,597</u>	<u>\$26,000</u>	<u>\$18,047</u>		<u>\$3,471,752</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,338	\$ -	\$ -		\$ 126,809
-	-	-	-	178	-	-		25,820
-	-	-	-	1,163	-	-		8,693
-	-	18,442	-	164	-	-		12,681
-	-	-	-	238	-	-		4,787
-	-	-	-	-	-	-		5,988
-	-	-	-	-	-	-		28,320
\$ -	\$ -	\$18,442	\$ -	\$ 4,908	\$ -	\$ -		\$ 271,610
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$1,712,775
\$ 3,378	\$ 3,414	\$ -	\$ -	\$ -	\$ 4,000	\$ 4,142		\$ 388,482
2,484	-	-	-	-	4,000	3,438		183,044
3,120	2,908	-	-	-	4,000	3,038		195,020
4,787	4,267	-	-	-	4,000	4,875		287,784
5,359	5,550	-	-	-	4,000	4,513		242,181
3,708	1,553	-	-	-	4,000	3,323		188,802
2,772	-	-	-	-	4,000	3,408		188,028
4,000	3,295	-	-	-	4,000	3,038		219,079
-	-	-	-	-	-	-		28,320
<u>\$18,047</u>	<u>\$ 18,888</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$16,000</u>	<u>\$18,842</u>		<u>\$1,752,944</u>
<u>\$18,047</u>	<u>\$ 18,888</u>	<u>\$18,442</u>	<u>\$ -</u>	<u>\$ 4,908</u>	<u>\$16,000</u>	<u>\$18,842</u>		<u>\$3,285,293</u>



**COMBINED STATEMENT OF PROGRAM REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**SPECIAL REVENUE FUNDS**

Ocean Area Agency on Aging, Inc.  
Edgewater, New Jersey  
Year Ended June 30, 1988

	TITLE III-B SUPPORTIVE SERVICES	TITLE III-B OPERATIONS	AREA AGENCY ADMIN	TITLE III C-2	TITLE III C-2	SENIOR CARE
<b>AMOUNT OF REVENUE OVER FUNDS EXPENDITURES</b>	\$ -	\$ 1,000	\$ 21,821	\$ 145,380	\$ 226,151	\$ -
<b>OTHER FINANCING SOURCE INCOME</b>						
Operating transfers in	\$ -	\$ 400	\$ 1,671	\$ 45,160	\$ 105,223	\$ -
Operating transfers out	-	-	-	-	-	-
Total other sources income	\$ -	\$ 400	\$ 1,671	\$ 45,160	\$ 105,223	\$ -
<b>AMOUNT OF REVENUES AND OTHER SOURCE OVER FUNDS EXPENDITURES AND OTHER INCOME</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCE</b>						
Beginning of year	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Schedule I (continued)

TITLE 111-D OR MORE SERVICES	PROJECT CODE	AGRY.	ESOP	MINOR MAINT.	MINC. SHEET	TITLE 111-F	FOOTAGE
\$ -	\$ 12780	\$ -	\$ 938,819	\$ 221,138	\$ -	\$ -	\$ 20,833
\$ -	\$ -	\$ -	\$ 1373,883	\$ -	\$ -	\$ -	\$ 372,764 1321,223
\$ -	\$ -	\$ -	\$ 1273,282	\$ -	\$ -	\$ -	\$ 1,971
\$ -	\$ 10781	\$ -	\$ 871,143	\$ 221,138	\$ -	\$ -	\$ 77,894
-	RTS	-	382,819	11,915	-	-	\$ 188,816
\$ -	\$ -	\$ -	\$ 107,919	\$ 34,719	\$ -	\$ -	\$ 192,748

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL**

Calcasieu Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 1988

	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	VARIANCE FAVORABLE (UNFAVORABLE)
<b>GENERAL FUND</b>			
Travel	\$ 82	\$ 82	\$ -
Operating services	384	384	-
Other costs	41,882	-	41,882
Capital outlay	-	43,682	(43,682)
Transfers	1,851	1,851	-
<b>Total</b>	<b>\$ 43,819</b>	<b>\$ 43,699</b>	<b>\$ -</b>
<b>TITLE III-C ADMINISTRATION</b>			
Salaries	\$ 113,809	\$ 113,697	\$ -
Fringe	20,801	20,826	(26)
Travel	4,503	4,680	(177)
Operating services	29,512	29,388	124
Operating supplies	4,244	4,100	144
Other costs	18,766	3,215	15,551
Capital outlay	2,818	28,888	(26,070)
<b>Total</b>	<b>\$ 204,463</b>	<b>\$ 204,694</b>	<b>\$ (231)</b>
<b>TITLE III-B SERVICES</b>			
Salaries	\$ 10,867	\$ 10,868	\$ -
Fringe	1,217	1,213	4
Travel	2,380	2,380	-
Operating services	1,792	2,847	(1,055)
Operating supplies	432	439	(7)
Other costs	2,788	2,782	6
Sub-recipients	48,182	48,142	40
Capital outlay	2,820	2,751	69
<b>Total</b>	<b>\$ 73,422</b>	<b>\$ 73,368</b>	<b>\$ 54</b>
<b>TITLE III-2</b>			
Meal costs	\$ 284,618	\$ 308,380	\$ (23,762)
Sub-recipients	217,288	217,268	-
<b>Total</b>	<b>\$ 501,906</b>	<b>\$ 525,648</b>	<b>\$ (23,742)</b>
<b>TITLE III-3</b>			
Meal costs	\$1,008,443	\$1,047,482	\$ (39,039)
Sub-recipients	312,827	312,302	525
<b>Total</b>	<b>\$1,321,270</b>	<b>\$1,359,784</b>	<b>\$ (38,514)</b>
<b>TITLE III-4 SUBSCRIPTION SERVICES</b>			
Sub-recipients	\$ 522,682	\$ 522,682	\$ -
<b>TOTAL</b>	<b>\$ 473,692</b>	<b>\$ 473,682</b>	<b>\$ -</b>

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL**

Calumet Area Agency on Aging, Inc.  
Saginaw, Michigan  
Year Ended June 30, 1980

	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	VARIANCE FAVORABLE (UNFAVORABLE)
<b>SENIOR CENTER</b>			
Sub-program points	\$ 262,800	\$ 262,800	\$ -
Total	\$ 262,800	\$ 262,800	\$ -
<b>TITLE III-C IN-HOME SERVICES</b>			
Sub-program points	\$ 29,800	\$ 29,800	\$ -
Total	\$ 29,800	\$ 29,800	\$ -
<b>PROJECT CARE</b>			
Sub-program points	\$ 18,938	\$ 18,938	\$ -
Total	\$ 18,938	\$ 18,938	\$ -
<b>ADULT ALLOTMENT</b>			
Operational services	\$ 39,440	\$ 39,440	\$ -
Total	\$ 39,440	\$ 39,440	\$ -
<b>GRAs</b>			
Transfers to Title III C-1	\$ 45,160	\$ 45,160	\$ -
Transfers to Title III C-2	308,132	308,132	-
Total	\$ 353,292	\$ 353,292	\$ -
<b>ELDERLY WAIVER</b>			
Salaries	\$ 2,338	\$ 2,338	\$ -
Printing	178	178	-
Tuition	2,880	2,880	(83)
Operational services	164	164	18
Operational supplies	222	222	13
Total	\$ 4,382	\$ 4,382	\$ (75)

ANNEXURE 3  
(CONTINUED)

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL**

Calcasieu Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 1990

	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	VARIANCE FAVORABLE (UNFAVORABLE)
<b>BUDGETED</b>			
Sub-recipients	\$ 38,000	\$ 38,000	\$ -
TOTAL	\$ 38,000	\$ 38,000	\$ -
<b>ACTUAL</b>			
Sub-recipients	\$ 35,647	\$ 35,647	\$ -
TOTAL	\$ 35,647	\$ 35,647	\$ -

**SCHEDULE 3**

**SCHEDULE OF PRIORITY SERVICES  
 TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES**

Cajon Area Agency on Aging, Inc.  
 Lafayette, Louisiana  
 Year Ended June 30, 1990

		<b>1990 GRANT</b>	
<b>ACCESS (20%)</b>	Assisted Transportation	50	
	Case Management	119,824	
	Transportation	279,950	
	Information & Assistance	124,891	
	Outreach	182,828	
	<b>Total Access Expenses</b>	<b>617,543</b>	<b>189,874</b>
<b>IN-HOME (15%)</b>	Homemaker	1150,360	
	Clean	50	
	Telephoning	448,940	
	Mealting	128,940	
	Admin/Daycare/Health	50	
	Personal Care	111,280	
	<b>Total In-Home Expenses</b>	<b>2049,870</b>	<b>58,024</b>
<b>LEGAL (5%)</b>	Legal Assistance	118,822	54
<b>NON PRIORITY SERVICES</b>		<b>518,433</b>	
<b>TOTAL III B-SUPPORTIVE SERVICE EXPENDITURES</b>		<b>13,738,869</b>	
<b>Less:</b>	Participant Contributions	(218,004)	
	Public Support	(588,374)	
	Transfers In	(288,864)	
<b>III B SUPPORTIVE SERVICES GRANT</b>		<b>12,643,627</b>	
<b>Less:</b>	State Homemaker	(196,643)	
	State Transportation	(118,387)	
<b>TRANSFER OUT TO TITLE III C=2</b>		<b>315,030</b>	
<b>Original Grant Amount</b>		<b>12,328,597</b>	

SCHEDULE 4

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS  
AND CHANGES IN GENERAL FIXED ASSETS

Cajon Area Agency on Aging, Inc.  
 Lafayette, Louisiana  
 Year Ended June 30, 1988

	Balance June 30, 1987	ADDITIONS	DEDUCTIONS	Balance June 30, 1988
<b>GENERAL FIXED ASSETS</b>				
FURNITURE	\$17,300	\$ 6,115	\$2,175	\$21,240
Buildings & Equipment	2,998	-	-	2,998
Construction-in-Progress	-	13,887	-	13,887
<b>Totals</b>	<b>203,306</b>	<b>240,000</b>	<b>22,175</b>	<b>421,131</b>
	*****	*****	*****	*****
<b>INVESTMENT IN GENERAL "FIXED ASSET"</b>				
<b>PROPERTY ACQUIRED WITH FUNDS FROM</b>				
Local	\$ 860	\$14,433	\$ -	\$15,293
Area Agency Administration	26,488	18,368	2,175	42,681
121 C-E	2,888	-	-	2,888
<b>Totals</b>	<b>299,306</b>	<b>340,000</b>	<b>22,175</b>	<b>617,131</b>
	*****	*****	*****	*****

**STATEMENT OF FINDINGS AND QUESTIONED COSTS**

Major Area Agency on Aging, Inc.  
 Lafayette, Louisiana  
 Year Ended June 30, 1988

**SECTION I - SUMMARY OF AUDITOR'S REPORTS**

<b>Financial Statements:</b>		
	Type of Auditor's Report Issued	Unqualified
	Internal Control Over Financial Reporting:	
	Material Weakness Identified	No
Reported	Reportable Conditions Identified but Considered to be Material Weaknesses	None
	Non-Compliance Material to Financial Statements Noted	No
<b>Major Programs</b>		
	Internal Control Over Major Programs:	
	Material Weakness Identified	No
Reported	Reportable Conditions Identified but Considered to be Material Weaknesses	None
	Type of Auditor's Report Issued on Compliance for Major Programs	Unqualified
	Any Audit Findings Disclosed that are Required to be Reported in Accordance with Circular A-133, Section 320(a)	No
	Identification of Major Programs:	
	CFDA Number	<u>Type of Federal Program</u>
	85.544	Title III, Part B Supportive Services
	93.846	Title III, Part C Nutrition Services
	10.578	Multistage Services for the Elderly
	Dollar Threshold to Distinguish Between Type A and Type B Programs	\$100,000
	Auditor Qualified as Low-Risk Auditor?	Yes

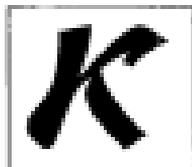
**SECTION II - FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**SECTION III - FEDERAL AIDED FINDINGS AND QUESTIONED COSTS**

No matters were reported.

**SENGOLE BIRGIT SECTION**



**Roland D. Kraushaar**  
Certified Public Accountant

1400 Texas Avenue - Alexandria, LA 71301  
Post Office Box 12538 - Alexandria, LA 71315

December 15, 1998

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PREPARED IN ACCORDANCE WITH  
GOVERNMENT ACCOUNTING STANDARDS**

To the Board of Directors  
Cajon Area Agency on Aging, Inc.  
Bossierette, Louisiana

I have audited the general purpose financial statements of the Cajon Area Agency on Aging, Inc., as of and for the year ended June 30, 1998, and have issued my report thereon dated December 15, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control over Financial Reporting**

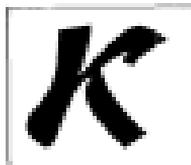
In planning and performing my audit, I considered the Agency's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee.

management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Richard G. Kraushaar  
Certified Public Accountant



**Roland D. Kraushaar**  
Certified Public Accountant

1405 Texas Avenue      Alexandria, LA 71301  
Post Office Box 120500      Alexandria, LA 71310

December 18, 1998

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR 8-133**

To the BOARD of Directors  
Cajon Area Agency on Aging, Inc.  
Bossierette, Louisiana

I have audited the compliance of the Cajon Area Agency on Aging, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular 8-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1998. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Agency's management. My responsibility is to express an opinion on the Cajon Area Agency on Aging, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and OMB Circular 8-133, "Guide of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular 8-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Cajon Area Agency on Aging, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Cajon Area Agency on Aging, Inc.'s compliance with those requirements.

In my opinion, the Cajon Area Agency on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

**INTERNAL CONTROL OVER COMPLIANCE**

The management of the Cajon Area Agency on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular 8-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management and Federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Ronald E. Branstetter  
Certified Public Accountant



**Roland D. Kraushaar**  
Certified Public Accountant

1408 Tenth Avenue      Alexandria, LA 71301  
Post Office Box 125035      Metairie, LA 71305

December 19, 1998

**INDEPENDENT AUDITOR'S REPORT ON  
SCHEDULE OF FINANCIAL STATEMENTS**

Board of Directors  
Cajun Area Agency on Aging, Inc.  
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajun Area Agency on Aging, Inc., as of and for the year ended June 30, 1998, and have issued my report thereon dated December 18, 1998. These general purpose financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular 8-122, "Audit of State, Local Governments, and Non-Profit Organizations." These standards and OMB Circular A-122 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Cajun Area Agency on Aging, Inc., taken as a whole. The accompanying Schedule of Federal Financial Statements is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

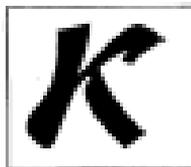


Roland D. Kraushaar  
Certified Public Accountant

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

Senior Area Agency on Aging, Inc.  
Lafayette, Louisiana  
Year Ended June 30, 1998

FEDERAL AGENCY/GRANT THROUGH CENTERS/PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL ON AWARD AMOUNT	REVENUE RECOGNIZED	EXPENDITURES
<b>Department of Health &amp; Human Services</b>				
Passed Through Louisiana Governor's Office of Elderly Affairs				
<b>Special Programs For The Elderly:</b>				
Title III-B Grant For Supportive Services & Health Care/Ink	93-044	\$ 474,827	\$ 474,827	\$ 474,827
Title III-B (Continuum)	93-044	83,380	83,380	83,380
Subtotal - CFDA #93-044		558,207	558,207	558,207
Title III Part C-Grant Agency Admin	93-048	180,617	180,617	180,617
Title III Part C-1 Nutrition Congregate Meals	93-048	480,984	480,984	480,984
Title III Part C-2 Nutrition Home Delivered Meals	93-048	348,726	348,726	348,726
Subtotal - CFDA #93-048		950,327	950,327	950,327
Title III Part D Services For Frail Older Individuals	93-046	24,707	24,707	24,707
Title III Part F Disease Prevention And Health Promotion	93-043	30,308	30,308	30,308
<b>Totals for U.S. Department of Health &amp; Human Services</b>		<b>\$1,563,285</b>	<b>\$1,563,285</b>	<b>\$1,563,285</b>
<b>Department of Agriculture</b>				
Passed Through the Governor's Office Of Elderly Affairs				
Nutrition Programs For The Elderly	16-578	428,000	428,000	428,000
<b>Total Federal Grants</b>		<b>\$2,115,285</b>	<b>\$1,991,285</b>	<b>\$1,991,285</b>



**Roland D. Kraushaar**  
Certified Public Accountant

1406 Tova Avenue      Alexandria, LA 71301  
Post Office Box 10000      Alexandria, LA 71315

February 22, 1998

Daniel G. Kyle, CPA, CFE  
Legislative Auditor  
P.O. Box 94887  
Baton Rouge, LA 70804-9487

Dear Sir:

As requested by your letter of February 8, 1998 regarding my audit on the Cajun Area Agency on Aging, Inc. for the year ended June 30, 1998 please consider the following:

**FINDING OF NON-COMPLIANCE:** The Agency failed to submit the completed audit report within six months of the fiscal year end as required by the Louisiana Revised Statutes (R.S. 28:1513).

**REASON FOR FAILURE TO SUBMIT TIMELY:** The delay in issuance of the report was caused solely by personnel problems within the auditing firm and was in no way the fault of the Cajun Area Agency on Aging.

**STATEMENT OF FACTS:** The following timeline supports the above cause for delay:

1. Fieldwork for the audit was conducted during the months of October and November, 1998.
2. A draft report was prepared during the first week of November.
3. On November 3, 1998 the auditor's administrative staff unexpectedly resigned and, in the resulting confusion, final production of the report was overlooked.
4. The exit conference with the Finance Committee was held on November 19, 1998 at which time unresolved matters regarding the reporting of capital expenditures were discussed.
5. On November 23, 1998 discussions were held with the Governor's office of elderly affairs in an effort to

receive the reporting questions. A final answer was not received until December 13, 1988.

4. Additional support staff was hired and the report was finally issued on January 18, 1989.

MANAGEMENT'S CORRECTIVE ACTION PLAN. The Council will require that a completed audit report be issued no later than November 15th of each year.

Respectfully submitted,



Roland G. Krasinsky,  
Certified Public Accountant